

BEFORE THE BOARD OF OIL, GAS AND MINING

FILED

DEPARTMENT OF NATURAL RESOURCES

DEC 11 2014

STATE OF UTAH

SECRETARY, BOARD OF
OIL, GAS & MINING

IN THE MATTER OF THE REQUEST)
 FOR AGENCY ACTION OF WHITING)
 OIL AND GAS CORPORATION FOR)
 AN ORDER AUTHORIZING THE)
 VENTING OR FLARING OF GAS)
 FROM THE MORONI 11M-1107 WELL)
 LOCATED IN SECTION 11,)
 TOWNSHIP 15 SOUTH, RANGE 3)
 EAST, S.L.M., SANPETE COUNTY,)
 UTAH)

REQUEST FOR AGENCY
ACTION

Docket No. 2015-001
Cause No. 176-05

WHITING OIL AND GAS CORPORATION, Petitioner, by and through its undersigned attorneys and pursuant to Rule R649-3-20.5 of the Utah Administrative Code (“**U.A.C.**”), hereby petitions the Board of Oil, Gas and Mining (the “**Board**”) for an order authorizing Whiting Oil and Gas Corporation (“**Whiting**”) to vent or flare associated gas in amounts in excess of that authorized by law. In support of its Request for Agency Action (“**Request**”), Whiting respectfully states and represents as follows:

1. Whiting is a Delaware corporation in good standing, having its principal place of business in Denver, Colorado. Whiting is licensed to do business, and is doing business, in the State of Utah.
2. The Board has jurisdiction of the parties and subject matter of this Request pursuant to Chapter 6 of Title 40.
3. Whiting is the operator of the Moroni 11M-1107 Well, a horizontal well located in Sanpete County, Utah, (the “**Well**”). The Well’s surface location is situated in the

SW¼SW¼ of Section 11, Township 15 South, Range 3 East, S.L.M., and the Well's bottomhole location (terminal lateral) is in the SE¼SE¼ of the same section. The Well is situated on and traverses numerous fee (private) leases.

4. The Well is a wildcat well that only recently reached total depth. Upon information and belief, Whiting alleges that there are no producing wells in Sanpete County, Utah, and the nearest production is approximately 22 miles away from the Well. Accordingly, there is no commercial production of oil or gas from the Well or from wells near the Well, and therefore, no sales pipeline connections in the vicinity of the Well, or production that would justify pipeline construction at the current time.

5. The Well and the subject leases are currently subject to the Board's well-location siting rules. The Well, accordingly, is located in a temporary 640-acre drilling unit pursuant to U.A.C. Rule R649-3-2.

6. The Well reached total depth in early December 2014, and as of the date of this Request, has not been completed. Whiting anticipates that the Well will be completed in January 2015. Accordingly, the Well has not been production tested as of the date of this Request.

7. In answering each of the requirements established in Rule R649-3-20.5 for requests to flare or vent gas in excess of amounts permitted by rule, Whiting states and alleges as follows:

a. **Justification of the Need to Vent or Flare More Than the Allowable**

Amount: The Well is a rank wildcat well in a remote location that is testing a new play concept. The Well has not been completed as of the date of this Request. Whiting, however, anticipates that completion operations for the Well will be in progress during January 2015 and that results of those operations possibly may be available before the Board's January 28, 2015 hearing. It's possible that

the initial production data from the Well will be insufficient to properly evaluate the economic potential of the Well and the new play concept. Under Rule 649-3-20.3, Whiting may apply to the Division of Oil, Gas and Mining (the “**Division**”) for authority to flare or vent gas at unrestricted rates for up to 30 days to further evaluate the Well, but no more than 50 MMCF of gas may be vented or flared based on the Division’s approval. To exceed flaring or venting 50 MMCF of gas, Whiting is required to petition the Board for approval. In the event Well operations necessary to evaluate the Well and the new play concept require that the produced gas be flared or vented for more than 30 days or at a rate that exceeds a total of 50MMCF of gas, Whiting wishes to be on the Board’s hearing docket to seek the Board’s approval to flare or vent greater volumes of gas without delay. Whiting is seeking the Board’s approval to flare or vent produced gas in amounts greater than authorized under Rule 649-3-20 to avoid being required to shut-in the Well while Whiting seeks regulatory approval to flare or vent the gas. Whiting is attempting to avoid shutting-in the Well during the critical days of data gathering.

b. **Description of Production Test Results:** The Well has not been production tested. Therefore, no production test results are available at this time. Whiting will provide such non-proprietary or otherwise non-confidential test results to the Division and the Board as they become available.

c. **Chemical Analysis of Produced Gas:** The Well has not been completed and no gas has been gathered for chemical analysis at this time. Whiting will provide the results of non-proprietary or otherwise non-confidential chemical analyses of the produced gas to the Division and the Board as they become available.

d. **Estimated Oil and Gas Reserves:** The Well has not been production tested and there is no production history to use as a basis for estimating the potential oil and gas reserves

associated with the Well. Whiting will provide a non-propriety or otherwise non-confidential estimate of the oil and gas reserves in the event reliable information becomes available.

e. **Description of Reinjection or Other Conservation-Oriented Alternatives for Disposing Produced Gas:** The Well has not been completed and there has been no production from the Well at this time. Until the Well is tested and production is established, it is not possible to determine the production volumes associated with the Well, and therefore, to evaluate the alternatives for disposing the produced gas. Whiting will provide an evaluation of the conservation-oriented alternatives to the Division and the Board in the event production is established from the Well.

f. **Description of the Amount of Gas Used in Lease Operations:** Lease operations for the Well may use approximately 100 MCF/D of gas. It's possible that this volume may change based on actual lease operations.

g. **Economic Evaluation Supporting Operator's Determination that Conservation of Gas is Not Economically Viable:** During the early production period for the Well there will not be any economically viable method to conserve the gas produced by the Well. Based on its remote location and the anticipated initial volumes of gas involved, no alternative at current gas and oil prices would likely be feasible. In the event production of commercial quantities of oil and/or gas is established, Whiting will re-evaluate whether conservation of the gas is economically viable.

8. The names and addresses of all persons owning interests in the leases within the temporary drilling unit comprising Section 11 are set forth in the Certificate of Mailing attached hereto and incorporated herein by reference.

9. Whiting intends to update the information required under Rule R649-3-20.5 as it becomes available by providing the same to the Division and the Board. Whiting also intends to present additional testimony and evidence at the hearing to fully inform the Board as to the need for relief from gas flaring limitations presently contained in the Board's regulations.

WHEREFORE, Petitioner respectfully requests that the Board set this matter for hearing at its next scheduled meeting on January 28, 2015, that notice of this Request and the hearing be provided as required by law, and that following said hearing, the Board enter an Order:


A. Authorizing Whiting to flare or vent produced gas from the Moroni 11M-1107 Well in amounts greater than authorized by Rule R649-3-20 for a period sufficient to establish the economic potential of the Well and the surrounding resources;

B. Make such findings, conclusions, and orders in connection with this Request as it deems necessary; and

C. Providing for such other and further relief as may be just and equitable under the circumstances.

Dated this 11th day of December, 2014.

VAN COTT, BAGLEY, CORNWALL & McCARTHY

By 
Thomas W. Clawson
Attorneys for Petitioner
36 South State Street, Suite 1900
Salt Lake City, Utah 84111
Telephone: (801) 532-3333

Petitioner's Address:

Whiting Oil and Gas Corporation
Attn: Paul Joeckel
1700 Broadway, Suite 2300
Denver, Colorado 80290

CERTIFICATE OF MAILING

I hereby certify that on this 11th day of December, 2014, I caused a true and correct copy of the foregoing Request for Agency Action to be served via U.S. Mail, properly addressed with postage prepaid, upon each of the following parties:

BBE Family L.L.C. 188 North 300 East #87 Mt. Pleasant, UT 84647	Skyline Oil, LLC 1517 N. Grove Dr. Alpine, UT 84004
First Rock I, LLC 600 Leopard, Suite 1800 Corpus Christi, TX 78473	Linda Raye Blackham 100 N. Center St. Moroni, UT 84646
Linda Gail Brotherson P.O. Box 7145 Bunkerville, NV 89007	Oniel Blackham 1335 East Logan Avenue Salt Lake City, UT 84105
Karen Mack 18717 East Cardinal Way Queen Creek, AZ 85142	Nora Cook P.O. Box 367 Moroni, UT 84646
Sue Johansen 289 West Main St. #10 Mt. Pleasant, UT 84647	Bryant Blackham P.O. Box 374 Moroni, UT 84646
Timothy Blackham P.O. Box 481 Moroni, UT 84646	R. Gayle Holman, DDS Pension and Profit Sharing Trusts 1345 East 3900 South Salt Lake City, UT 84117
Shirlie J. Draper 76 North 100 West Ephraim, UT 84627	Shari D. Black (Deceased) Have copy of Death Certificate Address Unknown
Judith A. Rodriguez 1018 Violet Cir. Placentia, CA 92870	Scott R. Draper PO Box 434 Moroni, UT 84646

D&D Harvey Sanpete, LLC 2806 North 1450 West Pleasant Grove, UT 84062	Glen C. Bills Properties, Ltd 3034 S. 2520 E. Salt Lake City, UT 84109
DCP Investments, L.L.C. 1365 Ambassador Way Salt Lake City, UT 84108	Dr. Jess C. Cheney 7923 Danish Ridge Way Salt Lake City, UT 84121
Shirley Maxine Hunter 4140 Monarch Way Salt Lake City, UT 84124	Annette Bates Larsen 1115 Cliffside Drive Logan, UT 84321
Cynthia Bates Larsen P.O. Box 540694 North Salt Lake, UT 84054	Karen Bates Peterson 9913 Dusty Winds Ave. Las Vegas, NV 89117
James Keith Bates 1250 Margaret Rose Dr. Riverton, UT 84065	James E. Tidwell, Gladys B. Tidwell, & James E. Tidwell, II, Joint Tenants 2509 Kensington Avenue Salt Lake City, UT 84108
John David Richards, Jr. 1390 Embassy Way Salt Lake City, UT 84108	Colleen Richards Bevan 1471 Wilton Way Salt Lake City, UT 84108
Carolyn Richards Gibbons 1526 Garfield Ave. Salt Lake City, UT 84105	Roger Tidwell Richards 2844 Old Colony Circle Salt Lake City, UT 84117
Teresa Richards Jenkins 2963 Orchard Dr. Salt Lake City, UT 84106	Eldon Dickson and Theresa H. Dickson c/o Ellis H. Dickinson 3169 South 4140 West West Valley, UT 84120
Wesley Bogdan PO Box 7693 Saipan, MP 96950 United States Territory	Ross and Carlene Blackham P.O. Box 247 Moroni, UT 84646
Grace K. Timms Estate, Dixie R. Harvey Executor 2806 N. 1450 W. Pleasant Grove, UT 84062	Robert C. Timms 6283 North Wild Horse Drive Prescott Valley, AZ 86314

<p>William A. Timms Address Unknown (Deceased) Heirs are: 1. Vickie Lyn Williamson 2498 Starlight Valley St., Henderson, NV 89044 2. Christie Renee Ward [address unknown] 3. Daniel Lee Timms [incarcerated in CA] 4. Robert David Timms (deceased); Son (Bobbie) [Address Unknown]</p>	<p>Dorothy M. Timms P.O. Box 38 Mt. Pleasant, UT 84629</p> <p>Alan R. Timms 14570 West Virginia Avenue Goodyear, AZ 85395</p>
<p>David C. Harvey and Dixie R. Harvey 2806 N. 1450 W. Pleasant Grove, UT 84062</p>	<p>Robert Paul Timms 1401 S. 70 W. Mt. Pleasant, UT 84647</p>
<p>Richard Anthony Hewko and Valerie Ann Hewko 703 Wagon Wheel Circle Brea, CA 92821</p>	<p>Kelvin D Timms and Teresa Brower Timms PO Box 38 Mt. Pleasant, UT 84629</p>
<p>Linda Teresa Richard Jenkins 2963 E. Orchard Dr. Salt Lake City, UT 84109</p>	<p>Stephen M. Richards and Carol L. Richards 1783 West 14805 South Bluffdale, UT 84065</p>
<p>Darrow Gene Christensen 273 E. 200 N. Moroni, UT 84646</p>	<p>Joell Anderson 359 N. 100 W. Moroni, UT 84646</p>
<p>Renae Fisher 780 E. Main St. Mt. Pleasant, UT 84647</p>	<p>Carole V. Hauskins, a/k/a Carol V. Coe 17515 244th Ave SE Maple Valley, WA 98038</p>
<p>Karen Hewgley 47500 SE Wagoneer Loop Sandy, OR 97055</p>	<p>Gary F. Brown 560 Mt. Logan Dr. Issaquah, WA 98027</p>
<p>Larry A. Brown 34 Impassable Lane Tonasket, WA 98855</p>	<p>Linda K. Monforte 7824 Somerset Ct. Clinton, WA 98236</p>
<p>Michael E. Alsop and Nancy H. Alsop 4975 East 17360 North Moroni, UT 84646</p>	<p>Steven E. Christiansen PO Box 274 Moroni, UT 84646</p>
<p>Irell O. Despain and Reta C. Despain</p>	<p>Joseph W. Hewko and Kathy Jo Hewko</p>

1171 E. 300 N. Orem, UT 84097	1051 Sunset Cir. Rialto, CA 92376
Scott L. Dumas and Amelia S. Dumas 4058 W. 9600 S. Payson, UT 84651	Richard R. Ruiz and Margaret A. Ruiz P.O. Box 38 Mt. Pleasant, UT 84647
Dan A. Sperry 4800 E. 17330 N. Moroni, UT 84646	Gregory J. Sheehan 1976 East 1425 North Layton, UT 84040
County of Sanpete c/o County Attorney 160 North Main Suite 306 Manti, UT 84642	Marilyn Poulson and Kevin Poulson P.O. Box 231 Moroni, UT 84646
James C. Reeder 512 N. Foothill Rd. Beverly Hills, CA 90210	Patricia Reeder Eubank 3350 Calle Bonita Santa Ynez, CA 93460
Eliason Eight, L.L.C. 4349 Lynne Lane Salt Lake City, UT 84124	Bro Energy LLC 4834 South Highland Drive, Suite 200 Salt Lake City, UT 84117
International Petroleum Limited Liability Company 4843 South Highland Drive, Suite 200 Salt Lake City, UT 84117	Marilyn Poulson, Carl Poulson, and Kevin Poulson P.O. Box 231 Moroni, UT 84646
Clifford Green and Marcia Green 2087 Bear Mountain Drive Draper, UT 84020	Joseph Cook 180 E. Center St. Moroni, UT 84646
Stony Olsen and Coralee Olsen 497 E. 400 S. Manti, UT 84642	Kendal A. Voorhees and Alison Jane Voorhees 17400 North 4250 East Moroni, UT 84646
Thomas D. Dye and Beth A. Dye P.O. Box 645 Moroni, UT 84646	Perry Andrew Jensen and Thora Jean Jensen P.O. Box 303 Moroni, UT 84646
Earl Ray Nielsen and Dorothy L. Nielsen P.O. Box 256 Moroni, UT 84646	Deanna Sparks 874 N. 400 W. American Fork, UT 84003
Dixie Boswell	Veldon D. Blackburn

25 W. 600 N. Nephi, UT 84648	217 W. 2225 N. Lehi, UT 84043
Casey M. Blackburn 4170 W. 500 N. Vernal, UT 84078	Darron L. Fewkes 265 N. 300 W. Mt. Pleasant, UT 84647

A handwritten signature in blue ink, appearing to read "J. L. Fewkes", written over a horizontal line.